

## Message Text

PAGE 01 TOKYO 07806 120456Z

17

ACTION EA-10

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 COME-00 EB-07

FRB-01 INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06

SP-02 CIEP-02 LAB-04 SIL-01 OMB-01 L-03 NSC-05 SS-15

STR-04 CEA-01 /106 W

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R 120430Z JUN 75

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 0804

INFO AMEMBASSY BONN

AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY ROME

AMCONSUL HONG KONG

USMISSION OECD PARIS

UNCLAS TOKYO 7806

PASS TREASURY, FEDERAL RESERVE, COMMERCE AND CEA

E.O. 11652: N/A

TAGS: EFIN, JA

SUBJECT: GNP - FIRST QUARTER PRELIMINARY FIGURES

REF: TOKYO 3273

SUMMARY: REAL GNP, SEASONALLY ADJUSTED, CONTINUED TO DECLINE IN FIRST QUARTER 1975 TO A LEVEL 2.2 PERCENT BELOW CYCLICAL PEAK REACHED IN LATE 1973. VIRTUALLY ENTIRE FIRST QUARTER DECLINE OF 0.7 PERCENT CAN BE ACCOUNTED FOR BY A VERY SHARP DROP IN RATE OF INVENTORY ACCUMULATION (DOWN 75.8 PERCENT). IN CONTRAST TO GNP DECLINE, REAL FINAL DOMESTIC DEMAND (GNP LESS INVENTORIES AND NET EXTERNAL SURPLUS) ADVANCED 1.2 PERCENT FROM FOURTH QUARTER LEVEL. PRELIMINARY FIRST QUARTER FIGURES INDICATE INFLATION WAS HALTED, AS GNP IMPLICIT PRICE DEFLATOR DECLINED BY 0.8 PERCENT ON UNCLASSIFIED

PAGE 02 TOKYO 07806 120456Z

BASIS OF SEASONALLY ADJUSTED FIGURES. AS A RESULT, NOMINAL GNP ALSO DECLINED FROM FOURTH TO FIRST QUARTER BY 1.5 PERCENT. IN VIEW OF CONTINUED SLOW PACE OF ECONOMIC ACTIVITY SO FAR IN SECOND QUARTER AND GOJ

RELUCTANCE TO INSTITUTE STIMULATIVE MEASURES, THERE IS  
DISTINCT PROSPECT THAT CY 1975 ADVANCE IN REAL GNP MAY  
BE NO MORE THAN 2 PERCENT. END SUMMARY.

2. THERE WAS ONLY SMALL REVISION IN TOTAL GNP FIGURES  
FOR FOURTH QUARTER 1974 (REPORTED REFTEL) ALTHOUGH CON-  
SUMPTION WAS REVISED DOWNWARD WHILE INVESTMENT REVISED  
UPWARD. FOLLOWING ARE GNP HIGHLIGHTS FOR RECENT  
QUARTERS BASED ON SEASONALLY ADJUSTED FIGURES AND  
EXPRESSED AS PERCENT CHANGES FROM PREVIOUS QUARTER:

	1974	1975
	III	IV I
NOMINAL GNP	3.7	2.8 -1.5
GNP DEFLATOR	2.9	3.2 -0.8
REAL GNP	0.8	-0.4 -0.7
REAL FINAL DOMESTIC		
DEMAND	2.2	-0.9 1.2

3. CHANGES IN COMPONENTS OF GNP DURING MOST RECENT  
THREE QUARTERS BASED ON SEASONALLY ADJUSTED FIGURES IN  
CONSTANT PRICES AND EXPRESSED AS PERCENT CHANGES FROM  
PREVIOUS QUARTER WERE AS FOLLOWS:

	1974	1975
	III	IV I
PRIVATE CONSUMPTION	2.4	-2.0 2.9
GOVERNMENT CONSUMPTION	2.2	0.0 -1.1
FIXED INVESTMENT	1.8	0.7 -1.0
HOUSING, PRIVATE	11.4	4.8 -9.8
PLANT & EQUIP, PRIVATE	-0.8	-3.5 -1.5
GOVERNMENT INVESTMENT	0.4	6.5 7.3
FINAL DOMESTIC DEMAND	2.2	-0.9 1.2
INVENTORIES	-30.0	-22.8 -75.8
NET EXTERNAL SURPLUS ON		
CURRENT ACCOUNT	8.8	53.0 3.7
UNCLASSIFIED		

PAGE 03 TOKYO 07806 120456Z

EXPORTS OF GOODS & SERVICES	2.2	4.8	-3.8
IMPORTS OF GOODS & SERVICES	1.2	-3.6	-5.9

GNP - REAL 0.8 -0.4 -0.7  
HODGSON

UNCLASSIFIED

<< END OF DOCUMENT >>

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 26 AUG 1999  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** GNP, NATIONAL ACCOUNTS, QUARTERLY REPORTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 12 JUN 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
**Drafter:** n/a  
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**Secure:** OPEN  
**Status:** <DBA CORRECTED> wfs 971016  
**Subject:** n/a  
**TAGS:** EFIN, JA  
**To:** STATE INFO BONN  
LONDON  
PARIS  
ROME  
HONG KONG  
OECD PARIS

**Type:** TE

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